

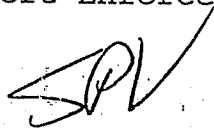


CABINET FOR FAMILIES AND CHILDREN
COMMONWEALTH OF KENTUCKY
FRANKFORT 40621

DEPARTMENT FOR SOCIAL INSURANCE
DIVISION OF CHILD SUPPORT ENFORCEMENT
"An Equal Opportunity Employer M/F/D"

KASES Network Memo No. 36

TO: Staff, Division of Child Support Enforcement
All IV-D Agents

FROM: Steven P. Veno, Director 
Division of Child Support Enforcement

DATE: July 5, 1996

SUBJECT: Medical Arrears Subaccount (MEDIA)

When taking action to establish a child's paternity, contracting officials are also responsible for attempting to obtain an order for reimbursement of the mother and child's medical (prenatal and birthing) expenses if these expenses were paid by the Department for Medicaid Services (DMS).

DMS previously allowed contracting officials to enter into a contract with DMS to receive incentive payments for medical support collections recovered through medical support enforcement action taken by the contracting official. In order to receive these incentive payments, contracting officials collected the medical support payments and forwarded them directly to DMS's fiscal agent rather than through the Division of Child Support Enforcement (DCSE). As a result, contracting officials did not create a medical arrears subaccount on the Kentucky Automated Support and Enforcement System (KASES).

Because DMS no longer contracts with contracting officials to receive incentive payments, ordered medical support payments to reimburse DMS must be made payable to the Cabinet for Families and Children (CFC) and routed through DCSE.

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When a noncustodial parent is ordered to reimburse DMS for costs associated with a custodial parent's prenatal care and delivery and CFC is payee, the contracting official caseworker must enter the order and create a medical arrears subaccount (MEDIA) on KASES. KASES Handbook Subsection 7.040 provides instructions for adding and updating support orders. To create a medical arrears subaccount, the caseworker must select Option 9 - MEDIA (Medical Arrears) on the Select Extension screen (ASEFOF).

The medical arrears subaccount (MEDIA) is never used for anything other than DMS repayment and CFC must be payee. It is never used when the custodial parent is to receive medical support arrearages. When a support order is established stating that medical support arrearages are owed to the custodial parent, the contracting official caseworker must create a non-PA (NPA1A) subaccount to reflect the amount due the custodial parent.

Contracting officials who previously contracted with DMS to collect medical support payments must take the following actions for those cases in which the noncustodial parent was ordered to reimburse DMS through the contracting official and an unpaid balance still remains to be collected.

1. Determine the amount of the unpaid Medicaid arrearage still due DMS.
2. Modify the order to make the Medicaid arrearage payable through CFC. Include in the order the amount of the unpaid arrearage balance.
3. Update KASES to add the modified order and to create a medical arrears subaccount (MEDIA) for the unpaid arrearage balance. See KASES Handbook Section 7.000, Accounting Functions, Subsection 7.040, Add Support Order, for instructions on updating orders on KASES and for creating a medical arrears subaccount.
4. Create a SELF event and attach notes. Describe all actions taken and explain the reason for the action.
5. Generate a CS-15 to the responsible area office caseworker and attach a copy of the modified order.

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If a contracting official who previously contracted with DMS has ever sent a payment(s) for a Medicaid arrearage to DCSE rather than to DMS's fiscal agent (EDS or Unisys) during the period of time the official was under contract with DMS, DCSE needs to be notified to ensure the payment is posted correctly.

If the Medicaid arrearage payment was sent to DCSE rather than to DMS's fiscal agent but the medical support order was not input on KASES and a medical arrears subaccount (MEDIA) was not created, the payment will not have been distributed correctly.

To correct this and to ensure that the payment is credited correctly on KASES, the official must notify the responsible area office caseworker of situations in which a payment was sent to DCSE rather than to DMS's fiscal agent. Contracting official caseworkers need to take the following actions.

1. Enter the medical support order on KASES and create a medical arrears subaccount (MEDIA) for any case in which a Medicaid arrearage payment was sent to DCSE rather than to DMS's fiscal agent.
2. Send a MAIL worklist message to the responsible area office caseworker. Explain in the message that a Medicaid arrearage payment was sent to DCSE prior to a medical arrears subaccount (MEDIA) being created on KASES. Request that the caseworker check to ensure that the payment is posted correctly. Provide the following:
 - the name of the noncustodial parent,
 - the IV-D case number,
 - the payment amount,
 - the date of the payment, and
 - the date the payment was mailed to DCSE.

Cross References: Child Support Manual of Procedures, Subsection 39.020
Kentucky Prosecutors' Child Support Enforcement Handbook, Subsections 17.020, 17.030, and 17.040

Retention: Until Superseded

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Obsolete: KASES Network Memo No. 3 (03/09/92)

Inquiries: DCSE Staff - Supervisors
IV-D Agents - Compliance Analysts